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ABSTRACT

A survey was conducted of the personnel directors in the "Fortune" 500 listing of top American corporations to determine their current communication policies and practices. A follow-up survey focused on the 98 companies that had indicated that they employed a communication director. Among the major findings of the survey are the following: (1) although many corporations have a communication director, in the majority of cases this person has responsibilities other than just the management of internal communication; (2) the job functions of communication directors appear to reach across the broad spectrum of internal and external communication; (3) a number of corporations have undergone a communication audit process, recognized its benefits, and accepted the recommendations emanating from it; (4) between 20% and 45% of the corporations conduct communication training programs for employees; (5) communication is recognized as an extremely important tool by 45% of the corporations, and as a moderately important one by another 29%; and (6) despite the fact that these corporations generally allocate resources toward the communication effort--institute feedback sessions--and have established policy statements regarding their communication programs, their communication on the whole is regarded by their personnel directors as timely, accurate, and adequate less than 75% of the time. (FL)

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COMMUNICATION POLICIES AND PRACTICES IN AMERICAN CORPORATIONS

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COMMUNICATION POLICIES AND PRACTICES IN AMERICAN CORPORATIONS

There is a generally accepted premise among organizational communication scholars that: (1) organizational communication affects organizational functioning; (2) effective organizational communication depends on the composite performance of corporate members, each taking a responsiblity in seeing that it happens and that it accomplishes its end; and (3) organizations tend to have more effective communication systems when they have individuals whose primary function is to "manage" these systems.

The purpose of this research was descriptive, specifically, a survey of major American corporations to determine current communication policies and practices. The sample of companies utilized in this study was obtained from the Fortune 500 listing of top corporations (in terms of sales).[1] Questionnaires were mailed to the Director of Personnel in each of the 500 corporations; a follow-up mailing was executed some time later to secure more responses.[2] Particular focus was made on corporations having an individual assigned to the responsibility of managing internal communication. The following report summarizes the results of the 98 organizations responding to the study which employed such an individual.[3] The 98 responding organizations ranged in size from 100 to 24,000 full-time employees (average: 2,689). Of these responding organizations, 46 percent were reported to be private, 54 percent public.

Corporate Communication Director

For the majority of the responding organizations (61 percent), the management of internal communication did not represent the full responsibility of their communication director. For 21 percent of these individuals, their job

function also pertained to personnel activities: for 79 percent of them, public relations (external communication) was also within their purview.

The most frequent organizational title for these individuals was "Manager, Employee Communications" (10); also frequent was "Director, Corporate Communications" (5), "Manager, Internal Communications" (3), and "Employee Communications Manager" (3). Not surprisingly, the majority of the titles for the 98 communication directors tended to emphasize either a corporate personnel orientation or public relations orientation, particularly for those whose responsibilities entailed more than the management of internal communication. It is interesting to note that 26 of the titles included the word "employee," 64 the word "communication" (or "communications"), and nine included the word "internal." The majority of the 98 individuals were positioned at the managerial or directorial level; four were positioned at the vice-presidential level. Of the 37 directors whose sole responsibility was that of internal communication management, six carried the title "Manager, Employee Communications," three the title "Manager, Internal Communications." The orientation toward personnel was far more frequent in these titles than in public relations, as one might expect.

In terms of divisions in which the communication directors worked, the following was reported: (1) 25 percent were assigned to a communications division; (2) 23 percent were assigned to a personnel or personnel-related division (3, human resources; 3, industrial relations; 5, employee relations; 10, personnel); and (3) 26 percent were assigned to a public relations or public affairs division. Depending upon the orientation built into those "communication" divisions represented in the first item just listed, the personnel or public relations balance reflected in the second and third items would be adjusted. Looking at the divisions for those directors whose sole responsibility was

internal communication management, 24 percent were assigned to a communications division, 27 percent to a personnel or personnel-related division, and 35 percent to a public relations division. While the first two percentages are in line with what was found for all communication directors, it was surprising to find the 9 percent increase for those solely managing internal communication located in a public relations or public affairs division.

In terms of a reporting relationship, it was found that: (1) seven of the communication directors reported to the President; (2) eight reported to the Director of Corporate Communication; (3) six reported to the Director of Public Relations; (4) four reported to the Vice President of Human Resources; (5) six reported to the Vice President of Corporate Communications. The majority of all the communication directors (42 percent) reported to an individual at the vice-presidential level.

The educational background of the 98 corporate communication directors was found to vary widely with (1) only two having a graduate degree (Ph.D. in one case, M.A. in the other) in Organizational Communication; (2) only five having degrees in Communication (or a variant thereof); (3) 28 having degrees in Journalism; (4) fourteen having degrees in English; (5) six having M.B.A. degrees; (6) two having law degrees; (7) two having engineering degrees; (8) three having degrees in the personnel field; and (9) eight having degrees in the mass media field.

The specific job functions of the 98 corporate communication directors is reported in Table 1. As one can note, certainly the most frequent functions reported were: (1) evaluates short-term and long-term internal communication strategies and problems (80 percent); (2) advises management on internal communication relative to memorandums, corporate symbols., bulletin boards, etc. (75

percent); (3) develops communication channels to keep employees properly informed (75 percent); (4) prepares corporate newsletter (73 percent).

Secondary to these, but often reported as director functions, were: (1) writes speeches for corporate management personnel (50 percent); (2) designs brochures, writes corporate press releases, handles media relations (49 percent); (3) evaluates the corporate organizational structure for the purpose of efficient communication flow (43 percent); (4) directs external communication for the organization (42 percent); (5) acts as communication liaison with other organizations (41 percent); (6) establishes electronic media systems in the organization (34%); and (7) develops and directs corporate communication training programs (workshops, seminars) (27 percent).

(Insert Table 1 about here)

It is interesting to note the high percentage of these directors who write speeches for corporate management personnel (50 percent) and the number who act as a communication liaison with other organizations (41 percent), or handle media relations, write press releases, and design brochures (49 percent). While 80 percent of the directors evaluate short-term and long-term internal communication strategies and problems, 42 percent direct external communication for the organization.

When asked whether the communication director position was a development within the past five years, 44 percent reported that it was, 56 percent that it was not. Of those with sole responsibility of internal communication management, 35 percent reported that their position has been developed within that period of time. When asked how or for what reasons the position was formed,

four of the respondents indicated that it was done so one the basis of a needs analysis, seven on the basis of corporate reorganization or growth.

Communication Audits

When asked if their corporation had undergone an organizational communication audit, 44 of the respondents (45 percent) indicated theirs had, and of these, 31 reported that the recommendations emanating from the audit had been implemented in the system. Of these audits, 60 percent were performed by external consultants, 21 percent by corporate personnel, and 19 percent by both. When asked what they thought the benefits of a communication audit were, most viewed it as an evaluative process offering a benchmark for the progress and future of corporate programs. Somewhat surprisingly, only 17 of the 56 responses to this question contained any reference to communication. The fact that 43 percent of the respondents did not answer the question makes it difficult to draw conclusions about this area. Only a few respondents made any negative or indifferent comments about the auditing process.

Corporate Communication Training Programs

The communication training programs offered by the responding organizations are reported in Table 2. As one can note, for each of the programs at least 21 percent offer them, with a high of 45 percent offering any of them in particular. Conflict management appeared to be the least offered program, problem-solving/decision-making skills training the most offered. Selection interviewing skills, performance appraisal interviewing skills, and interpersonal communication skills programs were offered by many of these organizations also. Since only 27 percent of the corporate communication directors conducted communication training programs, as reflected in an earlier question, it would seem probable that many of these programs have been offered through other offices than that of the communication director (perhaps the personnel office).

(Insert Table 2 about here)

Corporate Communication Policy

The corporate representatives responding to the questionnaire were asked to what degree communication was recognized as an important tool by management in their organization. Somewhat surprisingly, the majority (45 percent) indicated that it was recognized as extremely important, with 29 percent responding that it was viewed as moderately important; 16 percent slightly important; six percent neutral; zero percent slightly important; four percent moderately unimportant; and zero percent extremely unimportant. When asked if their organization had an established corporate communication policy statement, 53 percent responded affirmatively and 47 percent negatively. The majority of corporations indicated that they allocated resources specifically to insure the effectiveness of their communication system. Slightly over half (55 percent) reported that feedback sessions were a regular part of corporate life.

Furthermore, the majority of the respondents (46 percent) viewed the communication as timely about 75 percent of the time, another 34 percent indicated this was the case about 50 percent of the time, whereas only 11 percent of the respondents saw the communication as almost always timely.

About one-half of the respondents (51 percent) believed that the communication was perceived accurately in their organization about 75 percent of the time; another 28 percent felt it was perceived accurately about 50 percent of the time; and 17 percent felt this was the case almost always.

As to the adequacy of the amount of communication in the system, 37 percent of the respondents viewed it as adequate about 75 percent of the time, and 34 percent believed this was the case about 50 percent of the time; only 11 percent felt the amount of communication was almost always adequate, and, in fact, 16 percent felt it was adequate only about 25 percent of the time.

The majority of the respondents viewed communication in the system as open about 75 percent of the time (36 percent) or about 50 percent of the time (32 percent); in addition, 13 percent saw it as almost always open, whereas as many as 15 percent felt it was open only about 25 percent of the time.

When asked to what degree participant decision making was practiced in their organization, corporate representatives reported as follows: (1) 23 percent said it was high; (2) 20 percent said it was moderate; (3) 44 percent said it was low; (4) six percent said it was not practiced at all; and (5) seven percent said it varied by company departments.

Finally, respondents were asked about the adequacy of the upward communication system in their organization. The majority (43 percent) reported that it was moderately adequate and 24 percent indicated that it was slightly adequate. Whereas only four percent of the corporate representatives said the upward communication system was very adequate, 20 percent reported that it was inadequate (eight percent, slightly inadequate; seven percent, moderately inadequate; five percent, very inadequate).

Conclusion

The purpose of this research has been to describe the communication policies and practices in major American corporations, most specifically, those which employ a communication director. Among the major conclusions one can draw from this research would be:

1. Although many corporations have a corporate communication director, in the majority of cases this individual has responsibilities other than just the management of internal communication. These other responsibilities are considerably more often tied to the public relations operation of the organization than to the personnel operation. The corporate communication director has approximately an equal chance of being found in a communications division of the organization, a personnel division, or a public relations division. While the educational training of this person varies, it seldom includes a degree in communication and only rarely in organizational communication.

2. The job functions of communication directors appear to reach across the broad spectrum of internal and external communication, to include the types of responsibilities one would assume with a personnel or management background (for example, advising management on internal communication, developing communication channels to keep employees informed, evaluating short-term and long-term internal communication strategies and problems) and those one would assume with a journalistic or, more specifically, a public relations background (for example, preparing the corporate newsletter, directing external communications for the organization, acting as liaison to other organizations).

3. Somewhat surprisingly, a number of corporations have undergone a communication audit process and recognize its benefits and have accepted the recommendations emanating from it. In fact, a few organizations have created the communication director position on the basis of communicative needs analyses. About four out of every ten corporations recognize the need to evaluate their communication system regularly.

4. Between 20 percent and 45 percent of the corporations conduct the various types of communication training programs for employees. Training in problem-solving/decision-making, selection interviewing, performance appraisal interviewing, and interpersonal communication are the most frequently offered. Conflict management, negotiation skills, and exit interviewing programs are considerably more rarely found. Listening skills training programs are only offered by 30 percent of the corporations, an area increasingly found by practitioners and scholars as particularly important in the organizational context.

5. Somewhat surprisingly, communication is recognized as an extremely important tool by 45 percent of the corporations, as a moderately important tool by another 29 percent. This should be reflected in their commitment to communication resources, namely the employment of a communication director, the periodic use of an audit, and the implementation of a wide variety of communication training programs. Obviously, there is a question here as to the separation of internal and external communication as important devices. Interestingly, over half of the corporations have an established corporate policy regarding their communication programs. About 75 percent allocate resources to insure the effectiveness of their communication effort. Slightly more than half of the organizations use feedback sessions as a regular part of corporate life.

6. Despite the fact that these organizations generally allocate resources toward the communication effort, institute feedback sessions, and have established policy statements regarding their communication programs, their communication on the whole is regarded by their personnel directors as timely only 50-75 percent of the time, perceived accurately 75 percent of the time, and

adequate in amount 50-75 percent of the time. Upward communication is seen as moderately adequate in the majority of the organizations, although only slightly adequate in another one-fifth of the companies.

Organizations appear to recognize the importance of communication as a management tool. They must, however, give maximum visibility and support to the communication effort. The communication system must be assessed periodically and the various possible communication training programs should be widespread. If the communication system is strong, then the corporation will see direct or indirect impact upon morale, efficiency, and productivity.

FOOTNOTES

[1] Fortune, 1979, 270-288.

[2] A copy of the questionnaire utilized in this study may be obtained upon request from the authors.

[3] The focus of the study was directed at those organizations employing a communication director, on the assumption that communication would be clearly a priority to them, allowing one to ascertain the extent of the use of communicative techniques in highly communication oriented systems. Further research is needed which obtains this information for organizations not employing such directors.

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TABLE 1

FUNCTIONS OF THE CORPORATE COMMUNICATION DIRECTOR

Function	Number of Companies	Percentage
Develops and directs corporate communication training programs (workshops, seminars)	26	27
Advises management on internal communication relative to memorandums, corporate symbols, bulletin boards, etc.	73	75
Prepares corporate newsletter	71	73
Develops communication channels to keep employees properly informed	73	75
Establishes electronic media systems in the organization	33	34
Directs the corporate performance appraisal process	7	7
Conducts employee exit interviews	5	5
Evaluates short-term and long-term internal communication strategies and problems	78	80
Evaluates the corporate organizational structure for the purpose of efficient communication flow	42	43
Writes speeches for corporate management personnel	49	50
Coaches corporate management personnel on the techniques of public speaking	23	24
Directs external communication for the organization	41	42
Handles customer/client relations	11	11
Delivers speeches to the public	23	24
Communication liaison with other organizations	40	41
Designs brochures, writes corporate press releases, handles media relations	48	49
Other: Investor relations	4	4
Advertising	4	4

n = 98

TABLE 2

CORPORATE COMMUNICATION TRAINING PROGRAM

Training Program	Number of Companies	Percentage
Selection Interviewing Skills	40	41
Performance Appraisal Interviewing Skills	42	43
Exit Interviewing Skills	27	28
Interpersonal Communication Skills	43	44
Techniques of Group Communication	34	35
Problem Solving/Decision Making Skills	44	45
Conflict Management	21	21
Negotiation Skills	24	25
Listening Skills	30	31
Persuasive Communication	31	32
Public Speaking	35	36
Other: Editing	3	3
Writing	2	2

n = 98